#### UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ALABAMA NORTHEAST DIVISION

KEITH KARLSON,	)
Plaintiff,	)
V.	) CASE NO
RED DOOR HOMES, LLC; SMA OPERATIONS MANAGEMENT, LLC; and	) PERMANENT INJUNCTIVE ) RELIEF REQUESTED )
RDH ADVISING, LLC;	)
Defendants.	)

#### **COMPLAINT**

Comes now the Plaintiff, Keith Karlson ("Karlson"), and files his Complaint against Defendants, and would show as follows:

#### NATURE OF THE ACTION

- 1. This is an action for copyright infringement arising under the copyright laws of the United States, 17 U.S.C. §101, et seq. This action also asserts other claims arising under the laws of the State of Alabama.
- 2. Karlson brings this action to prevent the continuing and irrevocable harm that he is suffering and will continue to suffer due to the Defendants' infringement of his copyrighted artwork, and to recover appropriate damages against the Defendants under the laws of the United States and the State of Alabama.

#### PARTIES, JURISDICTION AND VENUE

- 3. The Plaintiff Karlson is an individual who resides in the Northern District of Alabama.
- 4. The Defendant, Red Door Homes, LLC ("Red Door Homes"), is a Florida limited liability company that does business in Alabama and is subject to the jurisdiction of this Court.
- 5. The Defendant, SMA Operations Management, LLC ("SMA") is a Florida limited liability company that does business in Alabama and is subject to the jurisdiction of this Court. SMA is, upon information and belief, an affiliated company of Red Door Homes.
- 6. The Defendant, RDH Advising, LLC ("RDH") is a Florida limited liability company that does business in Alabama and is subject to the jurisdiction of this Court. RDH is, upon information and belief, an affiliated company of Red Door Homes.
- 7. This Court has jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338. Venue is proper under 28 U.S.C. §§ 1391 and 1400(a).

#### FACTS COMMON TO ALL COUNTS

8. Karlson is, and at all material times was, self-employed as a commercial artist. His primary artwork consists of depictions of residential dwellings and schematic floor plans for residential dwellings which are used

by homebuilders for marketing purposes. Karlson was not the designer or author of the designs for these dwellings. Rather, he created original 2-D artworks and technical drawings ("the artwork") which depicted the residential dwellings for use in marketing the homes.

- 9. Karlson was the sole author of the artwork.
- 10. Karlson's artwork included material known as the ADG Art, the ADG Clients' Art, the Red Door Homes Art, and the Clint Miller Homes Art.
- 11. On or about December 15, 2009, Karlson applied to the Registrar of Copyrights for a Certificate of Registration for the artwork. The Registrar of Copyrights issued Certificate of Registration No. VAu 1-053-075, with an effective date of December 18, 2009, to Karlson for the artwork. A copy of the Certificate of Registration is attached hereto as Exhibit "A."
- 12. Karlson currently is, and at all material times was, the sole proprietor of all right, title, and interest in and to the copyright of the artwork.
- 13. Karlson has complied with all formalities under the copyright laws of the United States, 17 U.S.C. § 101, et seq.

#### **COUNT ONE: COPYRIGHT INFRINGEMENT**

- 14. Paragraphs 1 through 13 are adopted and incorporated by reference as if fully set out herein.
- 15. Red Door Homes sells house plans, marketing services, consulting services, and other assistance to homebuilders and developers for use in the sale and construction of homes. Red Door Homes has conducted business in the states of Alabama, Georgia, Florida, Idaho, North Carolina, North Dakota, and South Carolina.
- 16. Red Door Homes is familiar with Karlson's artwork and has had access to copies of the artwork through a limited license provided by Karlson to Red Door Homes.
- 17. Red Door Homes, and upon information and belief SMA and RDH, have copied Karlson's artwork for their own commercial purposes without the consent of Karlson, without compensation to Karlson, and in violation of the agreement between the parties concerning the use of the artwork.
- 18. Red Door Homes, and upon information and belief SMA and RDH, sold copies of Karlson's artwork to other entities for their own commercial purposes and benefit without the consent of Karlson.

- 19. Red Door Homes, and upon information and belief SMA and RDH, have provided copies of the artwork for their own commercial purposes and benefit to other persons, companies, and / or entities without the consent of Karlson. Red Door Homes, and upon information and belief SMA and RDH, have used the copies of the artwork for their own commercial purposes without the consent of Karlson.
- 20. Red Door Homes' conduct, and upon information and belief SMA's and RDH's conduct, constitutes actionable infringement under 17 U.S.C. § 501.
- 21. Upon learning of these infringements, Karlson sent correspondence to Red Door Homes placing it on notice as to Karlson's copyright claim. In spite of this correspondence, Red Door Homes continues to infringe on Karlson's copyrighted artwork.
- 22. The above-described acts of infringement by Red Door Homes, SMA, and RDH have caused substantial injury to Karlson and will cause irreparable injury to Karlson unless Red Door Homes, SMA, and RDH are permanently enjoined from committing said acts of infringement.
- 23. As a result of the infringing actions of Red Door Homes, SMA, and RDH, Karlson has been forced to retain attorneys to which he is obligated to pay a reasonable fee.

24. Upon information and belief, the infringing activities of Red Door Homes, SMA, and RDH were knowingly engaged in with a willful and reckless disregard of Karlson's rights.

#### **COUNT TWO: BREACH OF CONTRACT**

- 25. Paragraphs 1 through 24 are adopted and incorporated by reference as if fully set out herein.
- 26. Karlson and Red Door Homes had a binding agreement concerning the use of the artwork.
- 27. Red Door Homes breached its agreement with Karlson by violating the terms of the contract between the parties concerning the use of the artwork, and by violating the terms of the agreement concerning Red Door Home's duties to compensate Karlson for the use of the artwork.

#### **COUNT THREE: CONVERSION**

- 28. Paragraphs 1 through 27 are adopted and incorporated by reference as if fully set out herein.
  - 29. The artwork is the sole property of Karlson.
- 30. Red Door Homes, SMA, and RDH have illegally used and/or misused Karlson's property, to wit: the artwork, by selling and/or transferring it to third parties without the consent of Karlson.

31. The conduct of Red Door Homes, SMA, and RDH constitutes actionable conversion of Karlson's property.

#### PRAYER FOR RELIEF

WHEREFORE, Keith Karlson, respectfully requests this Honorable Court enter such orders and judgments as are necessary to provide the following relief:

- a) enter a Judgment against Red Door Homes, SMA, and RDH on Count One of the Complaint in such sum of as the Court shall assess;
- b) enter a Judgment against Red Door Homes on Count Two of the Complaint in such sum of compensatory damages as the Court shall assess;
- c) enter a Judgment against Red Door Homes, SMA, and RDH on Count Three of the Complaint in such sum of compensatory and punitive damages as the Court shall assess;
- d) enter a permanent injunction enjoining Red Door Homes, SMA, and RDH from infringing Karlson's copyrighted artwork under 17 U.S.C. § 502;
- e) require the destruction of all infringing copies of Karlson's copyrighted artwork in the possession, custody or control of Red Door Homes, SMA, and RDH, including their officers, agents, employees or

attorneys, and its removal from their respective websites under 17 U.S.C. § 503;

- f) require the Defendants to pay Karlson's actual damages and Defendants' profits under 17 U.S.C. § 504;
  - g) award Karlson the costs of this action;
  - h) award Karlson his reasonable attorneys' fees; and
  - i) award such other relief as this Court deems just and proper.

Patrick O. Miller (ASB 6901-L52P)

Attorney for the Plaintiff

#### OF COUNSEL:

#### DICK & MILLER, P.C.

101 Lowe Avenue SE, Suite 2A Huntsville, AL 35801 Telephone (256) 564-7317 Facsimile (256) 564-7319 patrick@drmslaw.net

#### **JURY DEMAND**

The Plaintiff demands a trial by jury on all claims so triable.

Patrick O Miller

## **EXHIBIT "A"**

# **Certificate of Registration**

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## Certificate of Registration



This Certificate issued under the seal of the Copyright Office in accordance with title 17, United States Code, attests that registration has been made for the work identified below. The information on this certificate has been made a part of the Copyright Office records.

Acting Register of Copyrights, United States of America

Registration Number
VAu 1-053-075

Effective date of registration:

December 18, 2009

Title ( Title of Work:	ADG Art ADG Clients Art Red Door Homes Art Pollard Homes Art Clint Miller Homes Art	
Completion/Publication = Year of Completion:	2009	
Author (	[1] (6) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1	$\frac{(\alpha_{i+1}^{*}\alpha_{i+1}^{*}(i), (i+1), (i+1)$
Author: Author Created:	Keith William Karlson 2-D artwork, technical drawings.	
Citizen of:	United States	Domiciled in: United States
Copyright claimant : Copyright Claimant:	Keith William Karlson 1306 Toney Drive, Huntsville, AL, 35	802, United States
Limitation of copyright cla Material excluded from this claim:	ACTUAL OF MICKING AND THE PROPERTY OF THE PROP	
New material included in claim:	2-D artwork	
Rights and Permissions Name: Email: Address:	Keith William Karlson keithkarlson@comcast.net 1306 Toney Drive	Telephone:) 256-881-
	Huntsville, AL 35802	

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Name: Keith William Karlson

Date: December 15, 2009

Correspondence: Yes